

BODHI AUSTRALIA FINANCIAL REPORT FOR 2020 CALENDAR YEAR

Prof Colin Butler (treasurer) May 28, 2021

This supplements the auditor's report (Camerons Accountants, Launceston Tas, dated April 28, 2021), and the numerical table on page 3. I will read a summary of this at the AGM to be held May 30, 2021.

1. **Total income** for 2020, compared to 2019, increased by 8% (almost \$3,500) to over \$46,000. Considering that in 2019 more than half of the previous (37%), compared to 2018 was from "one off" donations, from the four committee members who attended the Sakyadhita conference, we should be very pleased to have not only retained but to have built on the rise in general donations which we experienced in 2019.

Remember, too, that donations from our most generous individual donor (initials GC) ceased in June 2019, due to his retirement. The principal reason for the increase in total income in 2019, sustained through 2020, was the increased advertising paid by Fortress Learning. Thankyou Fortress Learning!

In 2020, donations, other than from committee members (i.e. also excluding advertisers), was \$29,702 compared to \$20,333 in 2019; i.e. a very substantial increase, of about 46%. We attracted some very generous new donors in 2020.

2. **Bank interest** fell again, this time by 50% (to \$1,661). We should consider ourselves fortunate that interest rates are not yet negative.

3. **Dividends**: A long-standing issue (where we seem to have been overpaid) appears to now have been solved, I consider \$221 to be accurate. These dividends accrue because we have two accounts with My State Bank, of which BODHI is a member.

4. We sold one **poster** in 2020, incurring a nominal loss of \$13 (plus post office costs). I have slightly increased the selling price, as a result. The cost to us of \$25 per poster is higher than we paid (by a factor of at least 2), so the actual loss is not much. We bought these posters long ago, in about 1992. The cost of a mailing cylinder and postage is also high. They are beautiful but with hindsight it was a poor decision by us at the time.

5. **Travel** expenses were zero in 2020, though high in 2019, due to the Sakyadhita conference.

6. **Project** expenses in 2020 were far lower (57%) than in 2019 (\$19,459 compared to \$45,021). There are three reasons. **A.** The pandemic seems to have disrupted the work of the Aryaloka Education Society so much that they did not request their usual annual funding (c\$20,000). **B.** Project expenses in 2019 were unusually high because of the delayed transfer (December 2018 to January 2019), for Aryaloka Education Society. That is, in 2019, we paid AES twice, while in 2020 we didn't pay them at all, other than for COVID relief (see below). **C.** The third reason is that, in 2019, we classified the travelling expenses of Karunadeepa as a project expense (\$2,854), because this improved Karunadeepa's skills and capacities. This was a rare or, perhaps, unique expense.

However, in 2020, we made a "welfare donation" of \$8,455 (excluding a \$9 bank charge), to the Aryaloka Education Society, in order to provide acute relief (as food) to some of the day labourers (and their families) and others whose lives were instantaneously made precarious by the initial response of the Government of India to the pandemic, i.e. a strict two week lockdown. Because this donation falls closer to a conservative definition of "welfare" instead of "development" we decided that it was prudent to use funds for this purpose from the account in which we hold our non-tax deductible income; i.e. money from advertisers, from donors living overseas (if they do not pay tax in Australia), anonymous donors, and from donors who prefer to not seek a tax deduction (or who fail to

advise us of their email address, even if asked). In 2020, we also received a generous contribution from Ambedkar International Mission, Australia, which was not tax deductible for them.

7. Total income for our “**discretionary**” account from such sources in 2020 was over \$17,000 (\$13,500 = advertising; \$2,600 = AIM Aust + AIM Aust-associated anonymous donors; \$1,059 (foreign donors), \$173 = sundry, i.e. dividends, poster sales and other anonymous donors. This created a balance of \$4,685.56 to be transferred, in 2021, from BOARF to the other account. Adjusting for this, the balance in this account should have been \$12,038.26, as of December 31, 2020. These funds have since been transferred; when eligible income for 2021, to date, is included we have over \$14,500 at hand, which can be used for future “welfare” projects.

8. Unfortunately, Fortress Learning have changed hands, so our advertising income is now much lower. This took effect in January, 2021.

9. Our **ratio of non-project expenses** to total income was lower than normal (6.9%) in 2020. These expenses are itemised in the table, the most significant being the **administration** fee (\$2,254). This fee, as previously, was calculated as a percentage (5%) of all income, other than donations from committee members.

10. **Closing balance**, all accounts in 2020 rose \$24,069 to \$176,226.

11. Thanks to our **auditor**, Greg Harper, at Camerons. Greg has suggested that we convert to a new account keeping record, electronically linked. This will make the audit slightly easier (e.g. I don't expect that I will, in future, need to collate all the bank statements to a single pdf). Although there have been suggestions that another auditor be appointed (in order to show any potentially sceptical examiner of our reports that our records are correct) I believe such a strategy would carry a significant risk, as well as a transaction cost, as we would have to start from scratch with a new auditor.

12. All international transfers continued to be done electronically, using ANZ. In 2020 one bank transfer to India (April 2020) was slower than average, however, but might have been caused by staff shortages in India, due to the pandemic. I phoned ANZ about this, and was told that international transactions should only take 3 working days; our transactions have always been at least twice this length. Note that that ANZ advice might have been the average for all countries, rather than for transfers to India. We have had a failed bank transfer in 2021, due to an error by the recipient in India.

13. Bendigo Bank: As reported previously the ordinary account with Bendigo Bank remains useful (it is free of regular charges, as are all of our bank accounts) as this is where interest from one of term deposits is transferred to it (the interest in the other term deposit rolls over).

14. Changing the terms on the two term deposits requires a resolution made at either our AGM or at a special meeting. Emilia della Torre (a former committee member) and Lucia Arman are now listed as signatories with Bendigo Bank. I think the rule is that any two of these three signatories (i.e. Colin David Butler, Emilia Della Torre, Lucia Arman) can change the term or close the term deposit, **but** this also requires the resolution at the AGM or special meeting. I propose that the members of BODHI at this AGM pass a motion, minuted, to reduce one of our term deposits by either \$10,000 or \$20,000.

15. The sundry debt in the 2019 audit (\$412), which was an error, was repaid in January 2020.

16. BAORF = BODHI Australia Overseas Relief Fund; non-TDS = non tax deductible status (see following) – i.e. the account where tax deductible donations are kept. At the moment it is assumed that all the funds in the other accounts (other than BODHI Non-TDS) were originally from tax deductible donations, so should be used for development projects (or running costs).

Financial report for 2020 calendar year: Benevolent Organisation for Development, Health & Insight (BODHI) Australia, Inc. ABN: [90575989334](https://abn.gov.au/abn/90575989334)

	2020	2019
Opening Bank Balance (all accounts, plus stock) (Jan 1)	152,157	163,883
INCOME		
Advertising (non-TDS)	13,500	12,700
Dividends (shared)	221	445
Donations to BAORF – general	25,993	20,233
Donations to BAORF - committee members	1,200	6,150
Donations (non-TDS)	3,709	100
Interest (BAORF)	1,661	3,196
posters (non-TDS)	12	0
Total Income BODHI	46,296	42,824
Total Income BAORF	28,964	29,801
Total Income BODHI Non-TDS	17,332	13,022
EXPENDITURE		
Admin Fee (Colin)	2,254	1,834
Auditor	770	771
AGM venue	0	0
Bank charges (includes paypal, transfers, stripe)	91	41
Filing Fees	65	62
Printing, Postage, Stationery, faxes	12	0
Development Projects	11,005	45,021
Welfare Projects (non-TDS account)	8,455	0
Travel	0	6,150
Website fee	0	261
Total	22,651	54,139

Closing BANK BALANCES (31/12/2020) (plus poster stock and petty cash)		
My State (BAORF)	19,376	9,050
My State (non-TDS)	7,354	3,183
Bendigo Bank	487	15
Bendigo Bank Term Deposit 1 (shorter term)	50,916	50,916
Bendigo Bank Term Deposit 2 (longer term)	89,109	87,922
ANZ savings	8,242	861
ANZ working	627	95
Cash on hand	114	114
Posters (nominal value)	950	975
TOTAL	177,176	153,544

PROJECTS		
Aryaloka Education Society (development)	0	29,127
Aryaloka Education Society (welfare)	8,455	0
TBMSG/BHPP	11,005	13,040
Karunadeepa	0	2,854
TOTAL	19,450	45,021